

Amendment No. 1 to HB2447

**Hargrove
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 3002

House Bill No. 2447*

By deleting subsection (a) in SECTION 1 of the bill in its entirety and substituting instead the following:

(a) Every insurance company offering homeowner property insurance in this state shall make available coverage for insurable sinkhole losses on any dwelling, including contents of personal property contained therein, to the extent provided in the policy to which the sinkhole coverage attaches.

AND FURTHER AMEND by deleting subsection (b) in SECTION 1 of the bill in its entirety and substituting instead the following:

(b) Every insurer authorized to transact property insurance in this state shall make a proper filing with the department of commerce and insurance for the purpose of extending the appropriate policy of property insurance to include coverage for sinkhole losses. The insurer may make coverage available in the policy itself, by endorsement, or through other coverage that the insurer may arrange, and the insurer may make an additional charge for such coverage. Provided, however, such coverage shall apply only to personal risk insurance on dwelling units.

AND FURTHER AMEND by deleting subdivision (c)(3) in SECTION 1 of the bill in its entirety and substituting instead the following:

(c)

(3) "Sinkhole" means a landform created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater which may form by collapse into subterranean voids created by dissolution of limestone or similar rock formation or by subsidence as these strata are dissolved;

AND FURTHER AMEND by deleting subdivision (c)(4) in SECTION 1 of the bill in its entirety and substituting instead the following:

(4) "Sinkhole activity" means settlement or systematic weakening of the earth supporting property only when such settlement or systematic weakening results directly from movement of raveling of soils, sediments, or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation; and

AND FURTHER AMEND by deleting subdivision (c)(5) in SECTION 1 of the bill in its entirety and substituting instead the following:

(5) "Sinkhole loss" means actual physical damage to a building, or property within, arising out of, or caused by sudden settlement or collapse of the earth supporting such building and only when such sudden settlement or collapse results directly from subterranean voids created by the action of water on limestone or similar rock formation. Contents coverage shall apply only if there is structural damage to the building caused by sinkhole activity.

AND FURTHER AMEND by deleting SECTION 2 of the bill in its entirety and by substituting instead the following:

SECTION 2. This act shall take effect January 7, 2007, the public welfare requiring it, and shall apply to all personal risk property insurance policies entered into or renewed on or after such date.